

Mike Tadych

From: Hugh Stevens
Sent: Tuesday, December 06, 2011 5:16 PM
To: Dan Rosenstein
Cc: Amera, Diane
Subject: JOC Farms LLC -- 2009 MPC Policy No. NC-090-793527 (Beaufort County, NC)
Attachments: Ltr from Dan Rosenstein 1 Dec 11.pdf; Letter to Dan Rosenstein 072111.pdf

Dan,

Your letter of December 1 (copy attached) was both surprising and disappointing, because all of the points and questions raised in it were addressed in the letter we sent to you on July 21, a copy of which also is attached.

Your recent letter says "the Risk Management Agency has not advised RCIS that its calculations were erroneous or that it underpaid the claim." As our July letter clearly explains in language quoted directly from the hearing officer's ruling, she concluded that RMA has no jurisdiction or authority with respect to the calculation and disbursement of indemnity payments to a policyholder; accordingly, she did not address it in JOC Farms' appeal.

With respect to your request that we explain the methodology used to calculate our demand, both our mathematical calculations and the basis for them are set out in detail in our July letter, which notes that even though we disagree with some of RMA's determinations, including the number of acres planted by our client and the number of pounds that were lost owing to uninsured causes (JOC Farms' alleged failure to harvest its Beaufort County crop in a timely manner), we have used the same numbers used by RMA and Mr. Fox. (Emphasis in the original). I don't see how we could have explained more clear that our calculations used RMA's own determinations as to the acreage, the production to count, the price guarantee, the production guarantee, the losses attributable to uninsured causes, and the price per pound of the tobacco sold.

The penultimate sentence of our July letter said:

"If RCIS disagrees with this calculation we request that we be provided with detailed explanations as to why RCIS believes our calculation is incorrect and as to what RCIS believes is the correct calculation."

Four and a half months have now elapsed without RCIS having had the courtesy to provide us with a response to this request. This delay suggests that RCIS knows that our calculations are correct but does not have the integrity to acknowledge as much.



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